

MORNING BUSINESS

Mr. GRAMS. Mr. President, I ask unanimous consent that there now be a period for the transaction of morning business with Senators permitted to speak for up to 5 minutes each.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The Senator from Minnesota has the floor.

Mr. GRAMS. Mr. President, I thank you very much. On the heels of that request, I also ask unanimous consent I be allowed to speak in morning business for up to 20 minutes to give two statements for the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

FARM BILL CONFERENCE REPORT

Mr. GRAMS. Mr. President, as farmers in Minnesota and across the Nation enter this year's planting season, I rise today in support of the farm bill conference report Congress will consider later this week.

In the coming days, the Senate and the House, and ultimately the President, will have to make a choice: we will either revolutionize Federal agriculture policies as outlined in this conference report, or we will continue the failed, Washington-knows-best policies of the past 60 years. But that choice should be very clear, Mr. President.

After considerable delay, this much-needed legislation will give our agriculture communities a reasonable and responsible policy roadmap for the future.

In the short term, decisions about planting, equipment purchases, fertilizer and seed sales, and credit will no longer hang in the balance. In the long term, farmers will have less Government interference from Washington, giving them the flexibility to plant for what the marketplace demands—not what traditional Government crop payments have dictated.

I am also proud to note that this legislation is comprehensive and balanced when it comes to protecting our environmentally sensitive lands.

Foremost among these environmental provisions is the Conservation Reserve Program, more commonly known as the CRP. I have heard from many of my Minnesota constituents, including farmers and sportsmen and women, who are pleased to see that the CRP and Wetlands Reserve Program were recognized, maintained, and strengthened because of their high success rates. In Minnesota, these programs will further protect our highly erodible lands while expanding hunting and fishing opportunities.

Mr. President, overall this bill offers tremendous benefits to Minnesota's agriculture community, which already ranks among the Nation's most productive in many of the traditional raw and processed commodities.

For individual Minnesota farmers, this legislation will help meet the

needs of the growing number of value-added cooperatives and their customers who benefit from products such as ethanol. This in turn will help Minnesota's rural communities, which depend on high-output agriculture and value-added products for a large portion of income and jobs.

Farmers and others dedicated to protecting the environment will not be the only individuals helped by this legislation. The American taxpayers will also benefit from the \$2 billion in total budget savings that will go toward balancing the Federal budget.

No longer will this portion of the agricultural budget serve as a potential runaway entitlement, as we saw happen after the 1985 farm bill. Instead, taxpayers and farmers will now know well in advance the specific amount of Federal dollars involved in food production.

But while I enthusiastically support much of this bill because it works on behalf of both Minnesota's farm community and the American taxpayers, I must raise my strong concerns about its potential harm to Minnesota's dairy industry.

For years, dairy producers and processors in the Upper Midwest have struggled against the harmful impact of the archaic Federal milk marketing order scheme. This complex set of regulations has played a key role in the loss of over 10,000 dairy farms in Minnesota over the last decade—an average of nearly three farms every day.

I am pleased to see that this legislation pays some attention to reform of those archaic Federal dairy policies, specifically with the proposed consolidation of milk marketing orders and the elimination of costly budget assessments on producers. However, I must state for the record that continuation of milk marketing orders makes little sense, particularly when most other commodities in the bill are subject to declining Federal payments over a 7-year period.

Continuing the milk marketing orders is disappointing, but the bill's inclusion of the Northeast Dairy Compact provokes even greater concern among the members of Minnesota's dairy industry.

It should trouble my colleagues and their respective dairy industries when Congress authorizes more regulatory burdens and interstate trade barriers.

Unfortunately, that is exactly what happened during conference negotiations on the farm bill with the mysterious resurrection of the Northeast Dairy Compact.

Mr. President, many of my colleagues rightly thought the compact idea to be effectively defeated after we voted 50 to 46 to strike it out of the Senate's farm bill.

However, despite the clear message sent by the Senate, the compact has reappeared in the conference report.

Many of the compact's supporters will say that this is a compromise. After all, the Secretary of Agriculture

will now have to decide whether to allow the New England States to create a compact.

If authorized by the Secretary, the compact would only exist until the implementation of milk marketing orders takes place, which is 3 years from now.

Perhaps they are right. But we are still creating a bad precedent by making it easier for any region to set up its own monopoly. The Senate previously voted against the compact because it would ultimately result in a proliferation of antitrade barriers between the States and regions. At a time when we are trying to open up global markets for our Nation's farmers, it makes no sense to encourage protectionism within our own borders. Yet, that is exactly what the dairy compact would do.

In response to the compact, other regions will work to get similar regional monopolies enacted. For far too long, regional politics have made many farm programs the way they are today—archaic, unfair, unwise, and unworkable.

The purpose of this farm bill is to remove Government interference in the agricultural decisionmaking process and reduce the regional conflicts that have plagued our farm policy for years.

Creation of the Northeast Dairy Compact would accomplish just the opposite—it would expand the role of government across America at the expense of free-trade opportunities.

I will not stand for that and neither should any other Senator who voted against the compact last month. I urge my colleagues to join me in standing up for small dairy farmers across the country by cosponsoring a bill which I am introducing today to repeal the Northeast Dairy Compact.

Instead of compromising on free-market principles and retreating into the past, my bill will move America's dairy industry forward.

Mr. President, let me conclude by saying that the farm bill before us is obviously not a perfect piece of legislation. It does indeed have weaknesses, but I believe those weaknesses are outweighed by those provisions which move us in a more market-oriented direction.

For this reason, I urge my colleagues to support the conference report on behalf of rural America, and on behalf of the taxpayers.

THE DEPARTMENT OF ENERGY AND THE PRESIDENT'S BUDGET

Mr. GRAMS. Mr. President, they are going to be handing out the Oscars tonight in Hollywood, honoring the film industry's best efforts at creating fantasy and make-believe. Well, we create a lot of that in Washington, too, and if it were a movie, the latest Clinton budget would be taking home the award for "Best Special Effects."

After all, it is a document that makes the impossible appear possible. It disguises reality with the smoke and mirrors that are staples of any good special effects team.